



## Titanium Metals Corporation North American Operations

**Titanium Metals Corporation (TIMET)** is one of the world's largest fully-integrated producers of high quality titanium products for defense, aerospace, industrial and consumer applications.

TIMET's North American activities span every phase of titanium manufacture, from converting rutile ore into titanium sponge to producing ingots, slab, and mill products for our customers.

Along with eight specialty service centers in the United States, TIMET has three manufacturing facilities in North America.

- **Henderson, Nevada** – produces titanium sponge and melted ingot for other TIMET facilities and end user markets for defense, aerospace, industrial and consumer products.
- **Morgantown, Pennsylvania** – melts titanium slab and ingot for defense, aerospace, consumer, and industrial products
- **Toronto, Ohio** – forges bar, billet and slab for commercial and military aerospace engine and air frame markets; processes sheet and plate for use in military aerospace engines, air frames and protective armor applications; finishes hot rolled coils for commercial, military aerospace industry and industrial applications used in corrosive environments.

### Henderson, Nevada WORLD CLASS OPERATION

TIMET's Henderson, NV titanium production facility began operations in 1950.

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**It is currently the largest  
manufacturer of titanium  
sponge in the United States.**

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Titanium sponge is the basic ingredient of titanium metal and the essential raw material for the production of titanium products.

The annual production capacity for sponge at the Henderson facility is approximately 27.8 million pounds. This capacity includes an 8.8 million pound expansion completed in 2007 at a cost of approximately \$61 million. TIMET also melts titanium ingot at the Henderson facility for use in other TIMET facilities and end-user markets.

The production of titanium sponge at the Henderson

facility is crucial to the support of TIMET's worldwide operations. The titanium sponge produced in Henderson combined with alloys and titanium scrap, and melted at both the Henderson and Morgantown, PA facilities to produce titanium ingot and slab. These products, in turn, are converted into milled titanium products, such as billet, bar, sheet, and plate at TIMET's Toronto, Ohio facility and in our European operations.

The Henderson plant provides a reliable, secure supply of premium quality titanium sponge. Over the past three years, the Henderson facility has supplied TIMET's worldwide operations with 62 million pounds of sheared titanium sponge.

### CAPITAL INVESTMENTS AT THE HENDERSON FACILITY

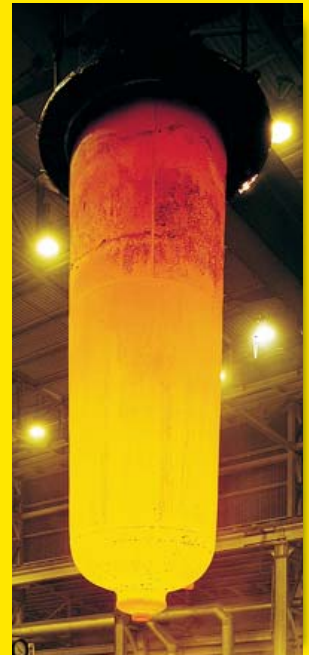
TIMET has invested substantially in its Henderson operations. Over the past five years TIMET has spent approximately \$173 million on capital projects in Henderson, including a water conservation facility, expansion of its sponge production capabilities, improvements to its melting facility, and upgrades to other supporting processes.

### COMMUNITY IMPACT

At full production capacity, TIMET employs 615 people at its Henderson facility, making it the largest industrial facility in the State of Nevada. Over the past three years, the aggregate gross payroll at the Henderson facility was \$117.4 million. During this period, the facility spent approximately \$120.7 million in purchases for the plant.

### ENVIRONMENTAL STEWARDSHIP

Henderson's environmental team monitors and researches daily to continuously improve the environment. Over the past 10 years, Henderson has spent \$35M in cooperation with government environmental mandates. Recent changes to the Henderson facility have resulted in reductions in total



65,500 lb. hot-pull sponge vessel from a Henderson Vacuum Distillation furnace.



Ti Sponge



Ti Ingot



Ti Slab



Plate



Forge



Coil

air emissions by 81% and reductions in hazardous material usage by 75%.

### Toronto, Ohio PLANT OVERVIEW

TIMET purchased the Toronto, Ohio plant in 1956 and has been in continuous operation since that time.

During peak market conditions, the plant employs 625 people. Plant property includes 42 acres - 18 acres are under roof.

### RECENT CAPITAL INVESTMENTS

TIMET has invested \$45M in capital projects at the Toronto facility in the past three years. Included in the major investments are a leveling and annealing line, expansion of the forge facility including new furnaces, mobile furnace chargers, inspection equipment, a band saw, ultrasonic inspection equipment for bar, billet and plate, precision sheet grinders, and a plate blast line.

Expansions and additions to the Toronto buildings include overhead crane replacement and several new lines for vacuum creep flattening.

### MILL PRODUCT MARKET DISTRIBUTION

About 70% of our mill products are used in the commercial and military aerospace industry. Another 25% are used for industrial tubing applications and military armor plate. Remaining products are used in emerging markets such as deep well pipe casing and automotive.

**Titanium ingots and slabs are accepted from our melting facilities in Morgantown, PA and Henderson, NV and are further refined in one of the facility's three major operating areas.**

**Forge Operations –** forges bar and billet for the commercial & military aerospace engine and air frame markets.

### Sheet & Plate Operations –

processes sheet bar and slab to discreet sheet and plate for the commercial & military aerospace engine and air frame markets as well as for military protective armor applications.

### Coil Operations –

finishes hot rolled coils to a more refined state. The finished coils supply commercial and military aerospace industries as well as many industrial applications, such as tubing used in corrosive environments.

### Morgantown, Pennsylvania

The TIMET Morgantown facility is a fully-integrated processor of titanium scrap into melted titanium ingot. Morgantown services the military, commercial, chemical processing, consumer products, automotive, and aerospace industries. This facility is one of a handful of U.S. titanium processors that utilizes electron beam melting technology.

The Morgantown manufacturing plant processes sponge from TIMET Henderson as well as all shapes and sizes of revert (scrap) from other sources.

The Morgantown site employees 370 at peak production.

### Henderson Sponge Usage

(3 year period)	USAGE
VDP 12	3.7M lbs
VDP 22	1.8M lbs
VDP 22 High Fe	6.9M lbs

### 3-Year Total Capital Spending

2007 - 2009	\$71.9M
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### Major Projects Over 3-Year Period

G Furnace	\$20.2M
VAR Project	8.2M
H Furnace	32.8M
RM #2	3.2M

Visit our website to learn more about TIMET, titanium and it's uses in the industrial industry.

[www.TIMET.com](http://www.TIMET.com)